



REMARKS BY
THE HONOURABLE WILLIAM G. DAVIS.
PREMIER OF ONTARIO

MONDAY, MARCH 8, 1976
ROYAL YORK HOTEL, TORONTO

JOINT LUNCHEON
THE CANADIAN CLUB OF TORONTO
AND
THE PROSPECTORS AND DEVELOPERS ASSOCIATION

IT HAS BEEN FOUR YEARS SINCE I LAST HAD THE PLEASURE OF ADDRESSING THIS JOINT LUNCHEON OF THE CANADIAN CLUB OF TORONTO AND THE PROSPECTORS AND DEVELOPERS ASSOCIATION, AND I WELCOME THE OPPORTUNITY TO BE BACK.

SINCE WE ARE ON THE EVE OF THE NEXT SESSION OF THE LEGISLATURE, THIS WOULD SEEM TO BE AN APPROPRIATE OCCASION TO SHARE MY VIEWS WITH YOU ON SOME OF THE BROADER ISSUES FACING THE PEOPLE OF ONTARIO AND ITS GOVERNMENT.

BEFORE DOING SO, HOWEVER, I WANT TO PAUSE A MOMENT TO PAY TRIBUTE TO A GENTLEMAN WHO HAS JUST LEFT A POST OF HIGH PUBLIC RESPONSIBILITY -- MY GOOD FRIEND, AND CANADA'S, ROBERT L. STANFIELD.

WHILE I DO NOT FOR A MOMENT PRESUME UPON THE NON-PARTISAN NATURE OF THIS AUDIENCE, I THINK WE CAN ALL REFLECT ON THE CONTRIBUTION OF HONESTY, MORALITY AND FRANKNESS IN PUBLIC LIFE THAT BOB STANFIELD MADE SO SELFLESSLY SINCE 1967.

I PAY THIS TRIBUTE AT THE OUTSET BECAUSE I THINK THAT BOB, AND WHAT HE HAS COME TO REPRESENT IN OUR COUNTRY'S POLITICAL SYSTEM, IS A PARTICULARLY HELPFUL STARTING POINT FOR THE THOUGHTS I WANT TO SHARE WITH YOU.

MY FRIENDS, THERE IS AN ONUS AS NEVER BEFORE ON THOSE OF US IN PUBLIC LIFE TO BE FRANK AND HONEST IN DISCUSSING OUR NEED AS A SOCIETY TO PLACE A REIN ON OUR DESIRES, TO LIVE WITHIN OUR MEANS AND TO CONSOLIDATE OUR STRENGTHS IN ORDER TO GUARANTEE THE STABILITY AND SECURITY OF OUR FUTURE.

LET ME START BY SAYING THAT I AM FUNDAMENTALLY OPTIMISTIC. I BELIEVE THAT WE WILL SUCCEED IN ONTARIO IN CURBING COSTS, REDUCING BORROWING AND LIVING WITHIN OUR MEANS AND I BELIEVE THAT THE JOB MARKET, WHILE HEADED FOR A FEW VALLEYS, WILL HARDEN AND BROADEN.

I BELIEVE THAT WE CAN EXPECT A RENEWAL OF PROSPERITY AFTER A PERIOD OF SOME SACRIFICE AND PARING OF COSTS.

AND I BELIEVE THAT HONESTLY.

THE DANGER THAT WE FACE IN OUR BATTLE AGAINST INFLATION, WHICH IS ONTARIO'S MOST IMPORTANT BATTLE, IS NOT THE TRANSIENT IMPACT OF AN INCREASE IN THE COST OF LIVING OR A BAD DAY ON THE STOCK EXCHANGE.

THE DANGER WE FACE IS DESPAIR.

ALL THE RHETORIC USED IN DEFENSE OF THE FREE ENTERPRISE SYSTEM -- FROM COMPANY PRESIDENTS, BANK EXECUTIVES OR HEADS OF CHAMBERS OF COMMERCE -- COMES ACROSS AS A HOLLOW ENDORSATION IF THE WEEKLY WAGE-EARNER BELIEVES THE SYSTEM IS NOT BEING FAIR TO HIM OR HER.

SURELY THE TIME HAS COME FOR THOSE WITH A VESTED INTEREST IN THE CONTINUATION OF OUR FREE ENTERPRISE SYSTEM TO STOP MAKING THE CASE FOR THAT CONTINUATION ONLY TO THEMSELVES.

BECAUSE THOSE WITH A VESTED INTEREST IN SOCIAL EQUITY AND EQUALITY OF OPPORTUNITY, AMONG WHOM I COUNT MOST THOUGHTFUL CANADIANS AND ALL RESIDENTS OF THIS PROVINCE, DESERVE AN ACCOUNTING FROM ALL SECTORS OF SOCIETY AS TO HOW WE HAVE BEEN PROGRESSING TOWARD THE GOAL OF ACHIEVING SOCIAL EQUITY AND EQUALITY OF OPPORTUNITY.

AND THAT ACCOUNTING WILL REQUIRE HONESTY.

IF WE WERE TO DIVIDE SOCIETY INTO THE SECTORS OF BUSINESS, THE PROFESSIONS, LABOUR AND GOVERNMENT, AND ASK EACH TO REPORT ON ITS SUCCESS IN THE AREAS OF SOCIAL EQUITY AND EQUALITY OF OPPORTUNITY WE WOULD FIND MUCH ACHIEVEMENT, AND MORE TO BE DONE.

IN THE AREA OF GOVERNMENT, I WOULD BE THE FIRST TO ADMIT THAT GOVERNMENT MAY HAVE GROWN TOO STRONG, TOO EXPENSIVE AND TOO ALL-ENCOMPASSING -- EVEN IN THE LIGHT OF THE MYRIAD RESPONSIBILITIES IT IS NOW CALLED UPON TO DISCHARGE. CUTBACKS IN CIVIL SERVICE COMPLEMENT, RESTRAINT AT ALL LEVELS OF GOVERNMENT SPENDING, ARE PART AND PARCEL OF OUR COMMITMENT TO TRY TO RECTIFY THIS IMBALANCE AND HANDLE PUBLIC COMMITMENTS TO THE PEOPLE IN A MORE AFFORDABLE MANNER.

WITH RESPECT TO THE POLITICAL SIDE OF GOVERNMENT, I WOULD THINK THAT ALL SIDES OF THE SPECTRUM, WITH FORMAL POLITICAL AFFILIATION AND WITHOUT, HAVE BEEN GUILTY OF TOO MUCH SELF-SERVING INTROSPECTION AT A TIME WHEN SOCIETY CAN ILL AFFORD IT.

JUST AS MEMBERS OF MY PARTY PONDER HOW REALLY RIGHT WING AND CONSERVATIVE THE PROGRESSIVE CONSERVATIVE PARTY SHOULD BE, OUR FRIENDS TO THE LEFT BATTLE INTERNALLY OVER HOW MANY TOES THEY WISH TO DIP IN THE INVITING WATER OF THE POLITICAL CENTRE, SEEING AS IT IS ALREADY WARMED BY OUR PRESENCE. SIMILARLY, OUR FRIENDS IN THE LIBERAL PARTY KEEP KNOCKING ON DOORS IN THE BELIEF THAT AT LAST THEY'VE FOUND THEIR RIGHTFUL HOME, ONLY TO FIND THAT THEIR PARENTS HAVE MOVED.

IN ANY EVENT, THOSE OF US IN POLITICS HAVE ALL BEEN GUILTY OF SPENDING TOO MUCH TIME LOOKING IN THE MIRROR RATHER THAN AT THE WORLD AROUND US, AND I SENSE THAT THE VOTERS EXPRESSED EXACTLY THAT SENTIMENT WHEN THEY WENT TO THE POLLS SOME SIX MONTHS AGO.

IN THE AREA OF THE PRIVATE SECTOR GENERALLY,
THERE HAVE BEEN SOME CONFLICTING DIRECTIONS AND
EXCUSES ADVANCED AS WE ALL TRY TO GRAPPLE WITH THE
ECONOMIC CHALLENGES FACING OUR SOCIETY.

SMALL BUSINESSES HAVE BLAMED LARGER
OPERATIONS FOR REDUCING THE PROFITABILITY OF
INDEPENDENT ENTERPRISE IN OUR SOCIETY AND THEREBY
REDUCING THE CHANCES OF SUCCESS FOR THE INDEPENDENT
BUSINESSMAN WITHIN THE FREE MARKET COMMUNITY. AND
THEY HAVE NOT BEEN ALTOGETHER WRONG IN MAKING THIS
COMPLAINT.

SPOKESMEN FOR BIG BUSINESS HAVE ATTACKED
GOVERNMENT SPENDING, GOVERNMENT REGULATION AND
GOVERNMENT ACTIVITY AS THE MAJOR SOURCE OF ALL
THEIR PROBLEMS, EITHER BECAUSE OF THE NEED TO
HAVE SOMEONE LARGER TO SHOOT AT OR TO AVOID BEING
SHOT AT THEMSELVES.

AND EVERYONE IN THE PRIVATE SECTOR HAS
TAKEN DEAD AIM AT THE UNIONS AS THE SOURCE OF
INCREASED PRODUCTION COSTS, REDUCED COMPETITIVENESS
AND REDUCED PRODUCTIVITY.

MY FRIENDS, WE ARE DOING A LOT OF SHOOTING AT EACH OTHER. WE ARE EXPRESSING A LOT OF ANGER -- ANGER WHICH COULD SURELY BE MORE PROFITABLE IF EXPRESSED MORE CONSTRUCTIVELY.

BECAUSE WHEN I SEE THE WEALTH FOR ALL CANADIANS THAT THE PRIVATE SECTOR HAS PRODUCED, I FIND IT HARD TO GET ANGRY.

WHEN I SEE THE SOCIAL PROGRESS THAT REVENUE FROM TAXING THIS WEALTH HAS ALLOWED OUR SOCIETY TO PROVIDE FOR ITSELF, I FIND IT HARD TO GET ANGRY AT THE PRIVATE SECTOR.

INDEED, WHILE I SHARE THE CONCERNS OF OTHERS FOR ITS ULTIMATE VITALITY AND STRENGTH, I AM ONE OF THOSE WHO UNDERSTANDS THE ROLE OF THE PRIVATE SECTOR IN PRODUCING THE FUNDAMENTAL WEALTH AND MOTIVATION WITHIN OUR SOCIETY.

I MIGHT SAY, WITH RESPECT TO FREE ENTERPRISE AS IT RELATES TO THE MINING AND MINERAL DEVELOPMENT INDUSTRIES, IT IS THE ONLY OPTION FOR CONTINUED DEVELOPMENT OF THIS PROVINCE'S MINERAL RESERVES.

WHILE OTHERS WOULD PREFER NATIONALIZATION AND FURTHER RESTRICTION OF THE FAIR PROFITABILITY OF THE INDUSTRY, IT IS MY VIEW AND MY GOVERNMENT'S, THAT ANY SUCH RESTRICTION WOULD OPERATE AGAINST THE BEST INTERESTS OF ALL CITIZENS OF ONTARIO.

THE STATEMENT MADE WITH RESPECT TO CERTAIN TAX ASSISTANCE FOR PRIVATE ENTERPRISE MINING IN THE NORTH BY MY COLLEAGUE, MR. BERNIER, REFLECTS A GROWING GOVERNMENT AWARENESS OF THE CHANGING CONDITIONS FACED BY ALL SEGMENTS, LARGE AND SMALL OF THE MINING AND PROSPECTING INDUSTRIES IN ONTARIO.

WE KNOW THAT MANY OF THE MINES NOW IN OPERATION WERE STARTED BY SMALL RATHER THAN LARGE CONCERNS; WE KNOW THAT JUNIOR MINING EXPLORATION COMPANIES HAVE A CRITICAL ROLE TO PLAY IN THE FUTURE RESOURCE DEVELOPMENT OF ONTARIO; WE KNOW THAT THE RIGHT TO BE A SMALL, ABOVE BOARD, ENERGETIC AND COMMITTED ENTREPRENEUR IN THE MINING INDUSTRY MUST BE ENHANCED, RATHER THAN MADE MORE DIFFICULT.

GOVERNMENT REGULATORY ACTIVITY AIMED AT WEEDING OUT AND PREVENTING THE BAD APPLES FROM USING THE SYSTEM FOR INAPPROPRIATE ACTIVITY, ACTIVITY THAT DISCREDITS THE ENTIRE INDUSTRY, HAS CAUSED PROBLEMS FOR THE VAST MAJORITY OF HONEST AND RESPONSIBLE ENTREPRENEURS WITH RESPECT TO RAISING CAPITAL.

THE PUBLIC INTEREST OFTEN CAUSES RESPONSIBLE GOVERNMENT TO GO FURTHER THAN IS NECESSARY TO INSURE BROAD PUBLIC PROTECTION. SURELY, PART OF GOVERNMENT TODAY IS HAVING THE CAPACITY TO UNDERSTAND WHEN THAT HAS HAPPENED AND ACT TO REDRESS ANY IMBALANCE.

MY GOVERNMENT WILL BE WATCHING VERY CAREFULLY THE OPERATION DURING ITS EARLY STAGES OF THE NEW JUNIOR MINING POLICY WHICH TAKES EFFECT APRIL 1. I TRUST THE INDUSTRY WILL BE DOING THE SAME. I HAVE ASKED THE MINISTER OF NATURAL RESOURCES TO DESIGNATE A SENIOR OFFICIAL OF HIS MINISTRY TO STRUCTURE AN ADVISORY GROUP, TO INCLUDE REPRESENTATIVES OF THE PROSPECTORS AND DEVELOPERS ASSOCIATION AND REPRESENTATIVES FROM THE MINISTRY OF CONSUMER AND COMMERCIAL RELATIONS, AMONG OTHERS, TO MONITOR THE EFFECTS OF THAT POLICY AND PROVIDE A REPORT ON INITIAL FINDINGS NO LATER THAN JUNE 1, 1976. IF REMEDIAL ACTION IS NECESSARY WITH RESPECT TO THAT POLICY, THEN I GIVE YOU MY COMMITMENT THAT MY GOVERNMENT WILL ACT TO EFFECT THAT ACTION WITH DISPATCH.

I CAN SAY AS WELL, THAT THE GOVERNMENT IS NOW ACTIVELY PURSUING MEANS, TO ASSIST THE INDUSTRY WITH RESPECT TO THE CAPITAL TAX, AND THE CIRCUMSTANCE OF THE NON-PRODUCING MINE.

FURTHER, I WILL ASK THE PRESIDENT OF THE PROSPECTORS AND DEVELOPERS ASSOCIATION TO OFFER SEVERAL RECOMMENDATIONS OF INDIVIDUALS ONE OF WHOM MIGHT SERVE ON THE ONTARIO SECURITIES COMMISSION, TO INSURE THAT THE CONCERNS AND CONSIDERATIONS OF THIS SECTOR OF THE MINING INDUSTRY ARE CAREFULLY CONSIDERED.

DESPITE THE EXCELLENT REPUTATION OF THE ONTARIO SECURITIES COMMISSION IN SO FAR AS PROTECTING THE PUBLIC IS CONCERNED, I KNOW THAT THE MOST IMPORTANT PART OF GOVERNING IN A FREE SOCIETY IS KNOWING WHEN GOVERNMENT REACTION OR OVERREGULATION MUST BE CORRECTED. AS LONG AS I AM PREMIER OF THIS PROVINCE, I OFFER MY ASSURANCE THAT THERE WILL BE NO INSENSITIVITY TO THAT NEED.

MR. CHAIRMAN, I HAVE PRAISED AND EXPRESSED MY CONFIDENCE IN THE FREE ENTERPRISE SYSTEM, BUT FROM THAT IT SHOULD NOT BE INFERRED THAT I LACK PRAISE FOR THE LABOUR MOVEMENT, EITHER.

LET'S NOT KID OURSELVES. THE LABOUR MOVEMENT HAS HELPED KEEP THE PRIVATE SECTOR HONEST. IT HAS HELPED ESTABLISH THAT ONE DOES NOT SEEK UNFAIR PROFIT AT HUMAN EXPENSE, WHEN FAIR PROFIT CAN BE ACHIEVED WHILE MAINTAINING THE HUMAN DIGNITY OF THOSE IN ONE'S EMPLOY.

IT HAS HELPED ESTABLISH THAT GOOD, PRODUCTIVE AND EFFECTIVE LABOUR IS AS MUCH A PART OF OUR NATION'S ECONOMIC ARSENAL AS IS CAPITAL AND FISCAL STABILITY. ABOVE ALL, THE LABOUR MOVEMENT HAS IMPROVED THE WORKING CONDITIONS OF PEOPLE WHO HAVE EVERY RIGHT TO THESE CONDITIONS BY VIRTUE OF THEIR CITIZENSHIP IN A CIVILIZED AND HUMANE DEMOCRACY.

HAVING SAID THAT, I WOULD ALSO POINT OUT THAT INTENSE CONCENTRATION OF POWER, IN BOTH INDUSTRY AND LABOUR, CAN BE VERY DETRIMENTAL TO OUR FREE SOCIETY AND OUR FREE ENTERPRISE SYSTEM.

I WOULD ALSO SAY THAT IF GOVERNMENT HAS ONE REMAINING CRITICAL ROLE, IT IS TO FORESTALL THE CONCENTRATION OF THIS SORT OF POWER, TO PREVENT ITS USE AT THE EXPENSE OF THE GENERAL PUBLIC.

I WOULD SUGGEST THAT THIS AXIOM APPLIES AS EQUALLY TO LABOUR AS IT DOES TO THE PRIVATE SECTOR. I WOULD FURTHER SUGGEST -- AND THIS IS WHERE I DIFFER FROM MY LIBERAL FRIENDS IN OTTAWA AND MY NEW DEMOCRATIC FRIENDS IN ONTARIO -- THAT THIS AXIOM APPLIES EQUALLY TO GOVERNMENT.

WHEN I LOOK AT THE PROFESSIONS, I THINK IT WOULD BE FAIR TO OBSERVE THAT THERE HAS BEEN A LACK OF FLEXIBILITY IN SOME SEGMENTS WITH RESPECT TO THE ECONOMIC REALITIES WE FACE, AND THE NEED TO ADAPT TO THOSE REALITIES.

OVERALL, HOWEVER, THE RECORD IS ONE OF ACHIEVEMENT, NOT FAILURE, AND ONE OF THE HIGHEST LEVELS OF PROFESSIONAL ACTIVITY AND SERVICE OF ANY NATION IN THE FREE WORLD.

WHILE WE AS A SOCIETY SEEK TO SORT OUT OUR PRIORITIES, BRING OUR COSTS INTO LINE AND CONSOLIDATE OUR STRENGTHS, WE DO OURSELVES AND OUR FUTURE NO GOOD BY DIMINISHING THE CONTRIBUTION EVERY SECTOR OF SOCIETY HAS MADE TO THE COMMON GOOD.

WE CAN SPEND HOURS TALKING ABOUT GREED, MALICE, ERROR, MISJUDGEMENT AND MISDIRECTION -- BUT WE WOULD BE NO FURTHER AHEAD IN RESOLVING THE PROBLEMS AND CHALLENGES FACING ONTARIO.

I SAID EARLIER THAT I AM OPTIMISTIC. AND I MEAN THAT. I SAID EARLIER THAT THE GREATEST CHALLENGE FACING OUR SOCIETY, THE GREATEST DANGER, IS THAT OF DESPAIR. AND I MEANT THAT AS WELL.

WE ADD TO DESPAIR WHEN WE SPEND OUR TIME ATTACKING OTHER SECTORS OF SOCIETY WHEN WE SHOULD BE WORKING WITH THEM. WE ADD TO DESPAIR WHEN WE SPEAK ONLY FOR OUR OWN VESTED INTEREST, AND REFUSE TO UNDERSTAND THE BROAD COMMON INTEREST.

IN THE PROGRAM PLACED BEFORE THE LEGISLATURE TOMORROW IN THE SPEECH FROM THE THRONE, ONTARIO WILL BE ASKED TO DEAL WITH CONCERNS THAT AFFECT THE BROAD COMMON INTEREST. WHILE I CANNOT PROPERLY DISCUSS THE DETAILS OF THAT PROGRAM, I CAN SAY THAT IT PROPOSES ONLY THAT WHICH IS FUNDAMENTALLY NECESSARY TO HELP PRESERVE STANDARDS OF JUSTICE, CONSUMER PROTECTION, RESTRAINT AND STABILITY WHICH ARE VITAL TO THIS PROVINCE'S OVERALL AND ECONOMIC FUTURE.

THERE WILL BE CHOICES TO BE MADE, SOME OF THEM PARTICULARLY TOUGH AND DIFFICULT FOR ALL PARTIES IN THE LEGISLATURE. BUT THERE WILL BE NO UNNECESSARY LEGISLATION. PART OF RECTIFYING THE IMBALANCE I MENTIONED EARLIER BETWEEN GOVERNMENT AND THE PRIVATE SECTOR CALLS FOR A WILLINGNESS AND DETERMINATION TO REDUCE THE QUANTITY OF GOVERNMENT AND TO CONCERN OURSELVES MORE WITH THE QUALITY OF GOVERNMENT.

OUR PROGRAM WILL BE JUSTIFIABLY OPTIMISTIC, BECAUSE THE PEOPLE OF ONTARIO HAVE THE RIGHT TO BE OPTIMISTIC -- OPTIMISTIC ABOUT OUR INTERNAL ECONOMIC CAPACITY, ABOUT OUR LEVEL OF SOCIAL EQUITY AND OUR PROSPECTS FOR THE FUTURE.

THERE WILL BE THOSE WHO WILL SEEK TO DESTROY THAT OPTIMISM. I CHALLENGE NEITHER THEIR RESPONSIBILITY TO RAISE ISSUES THAT CONSTITUTE BAD NEWS NOR THEIR SINCERITY IN DOING SO.

I SUGGEST TO THEM ONLY, AS I HAVE SUGGESTED TO YOU, THAT WE HAVE A LOT TO BE PROUD OF IN ONTARIO AND THAT SIMPLE HONESTY EVOKES THAT PRIDE. I SUGGEST AS WELL THAT WHILE PEOPLE HAVE THE RIGHT TO KNOW AND UNDERSTAND WHAT NEEDS CHANGE AND REPAIR, THEY ALSO HAVE THE RIGHT TO BE SECURE ABOUT THEIR SOCIETY, ITS INSTITUTIONS AND THEIR OWN FUTURE WITHIN THAT SOCIETY.

I BEGAN THIS AFTERNOON BY SPEAKING OF HONESTY IN DISCUSSING OUR ECONOMIC CIRCUMSTANCE. LET ME END BY DISCUSSING THE VERY SAME POINT.

THERE IS NO ECONOMIC CHALLENGE FACING ONTARIO THAT A LITTLE BIT OF SELF-DISCIPLINE, SELF-SACRIFICE AND SELF-CONFIDENCE CAN'T STEER US TO OVERCOME. IT IS GOVERNMENT'S ROLE TO SHOW SELF-DISCIPLINE, PROVIDE EXAMPLES OF SELF-SACRIFICE AND SHARE ITS SELF-CONFIDENCE WITH THE PEOPLE IT SERVES.

THOSE WHO ATTACK THE SELF-CONFIDENCE OF THE PEOPLE, THE SELF-CONFIDENCE OF ONTARIO, THE SELF-CONFIDENCE EACH CITIZEN OF THIS PROVINCE HAS THE RIGHT TO FEEL, ARE ATTACKING THIS PROVINCE'S FUTURE.

I AM COMMITTED TO THE ULTIMATE STRENGTH, SECURITY AND VITALITY OF ONTARIO'S FUTURE, BECAUSE I HAVE A FUNDAMENTAL FAITH IN THE PEOPLE OF ONTARIO, THEIR INDUSTRIOUSNESS, THEIR SELF RESPECT AND THEIR POLITICAL JUDGEMENT.

I AM OPTIMISTIC, BECAUSE I FIRMLY BELIEVE THAT THEY HAVE THAT SAME FAITH IN THEMSELVES.

THANK YOU VERY MUCH.